
By: **Delegate Minnick**

Introduced and read first time: January 28, 2004

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Commercial Law - Consumer Protection - Credit Card Protection Act**

3 FOR the purpose of prohibiting a merchant from accepting payment by credit card for
4 consumer goods or consumer services unless the merchant requires the
5 consumer to provide the consumer's zip code before completion of the
6 transaction; authorizing the Attorney General to institute a civil action against
7 any person that violates this Act to recover for the State a civil penalty not to
8 exceed a certain amount for each violation; providing that for purposes of this
9 Act, each prohibited transaction is an independent violation; authorizing the
10 Attorney General to seek an injunction in a civil action to prohibit a person that
11 has engaged in or is engaged in a violation of this Act from continuing or
12 engaging in the violation; defining certain terms; providing for the application of
13 this Act; and generally relating to the Credit Card Protection Act.

14 BY adding to

15 Article - Commercial Law

16 Section 14-3201 through 14-3204, inclusive, to be under the new subtitle

17 "Subtitle 32. Credit Card Protection Act"

18 Annotated Code of Maryland

19 (2000 Replacement Volume and 2003 Supplement)

20 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF

21 MARYLAND, That the Laws of Maryland read as follows:

22 **Article - Commercial Law**

23 **SUBTITLE 32. CREDIT CARD PROTECTION ACT.**

24 14-3201.

25 (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS
26 INDICATED.

27 (B) "CONSUMER" MEANS AN ACTUAL OR PROSPECTIVE PURCHASER, LESSEE,
28 OR RECIPIENT OF CONSUMER GOODS OR SERVICES.

1 (C) "CONSUMER GOODS" AND "CONSUMER SERVICES" MEAN, RESPECTIVELY,
2 GOODS AND SERVICES THAT ARE PRIMARILY FOR PERSONAL, HOUSEHOLD, FAMILY,
3 OR AGRICULTURAL PURPOSES.

4 (D) "MERCHANT" MEANS A PERSON THAT DIRECTLY OR INDIRECTLY EITHER
5 OFFERS OR MAKES AVAILABLE TO CONSUMERS ANY CONSUMER GOODS OR
6 CONSUMER SERVICES.

7 14-3202.

8 THIS SUBTITLE DOES NOT APPLY TO TRANSACTIONS CONDUCTED IN PERSON
9 BETWEEN A MERCHANT OR AN EMPLOYEE OR REPRESENTATIVE OF THE MERCHANT
10 AND A CONSUMER.

11 14-3203.

12 A MERCHANT MAY NOT ACCEPT PAYMENT BY CREDIT CARD FOR CONSUMER
13 GOODS OR CONSUMER SERVICES UNLESS THE MERCHANT REQUIRES THE
14 CONSUMER TO PROVIDE THE CONSUMER'S ZIP CODE BEFORE COMPLETION OF THE
15 TRANSACTION.

16 14-3204.

17 (A) (1) THE ATTORNEY GENERAL MAY INSTITUTE A CIVIL ACTION AGAINST
18 ANY PERSON THAT VIOLATES THIS SUBTITLE TO RECOVER FOR THE STATE A CIVIL
19 PENALTY NOT TO EXCEED \$1,000 FOR EACH VIOLATION.

20 (2) FOR PURPOSES OF THIS SUBTITLE, EACH PROHIBITED TRANSACTION
21 IS AN INDEPENDENT VIOLATION.

22 (B) THE ATTORNEY GENERAL MAY SEEK AN INJUNCTION IN A CIVIL ACTION
23 TO PROHIBIT A PERSON THAT HAS ENGAGED IN OR IS ENGAGED IN A VIOLATION OF
24 THIS SUBTITLE FROM CONTINUING OR ENGAGING IN THE VIOLATION.

25 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
26 October 1, 2004.